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**UNITED STATES DISTRICT COURT FOR THE  
DISTRICT OF NEVADA**

TAMMY HERNANDEZ, an individual; and  
JOSE HERNANDEZ, an individual;

Plaintiffs,

vs.

ALLIED COLLECTION SERVICES, INC, a  
Nevada Corporation; MICHAEL L. FEENEY,  
an individual; DOE I, also known as  
CHASTITY, an individual; and DOES II-X;

Defendants.

CASE NO.:

**COMPLAINT**

**15 U.S.C. 1692, ET. SEQ.**

COME NOW, Plaintiffs, TAMMY HERNANDEZ and JOSE HERNANDEZ (“Plaintiffs”), by and through their attorneys, ATKINSON & WATKINS, LLP, and hereby complain and allege against Defendants, ALLIED COLLECTION SERVICES, INC, MICHAEL L. FEENEY, and DOES I-X (collectively, “Defendants”) as follows:

**JURY TRIAL DEMAND**

1. Plaintiffs demand a jury trial.

**JURISDICTION AND VENUE**

2. Plaintiffs brings this action under the Fair Debt Collection Practices Act, Title 15 U.S.C. § 1692, et. seq.

3. The jurisdiction of this Court is pursuant to the following statutes:

- a. 28 U.S.C. § 1331, which gives district courts original jurisdiction over civil actions arising under the Constitution, laws or treaties of the United States;
- b. 28 U.S.C. § 1367, which gives the district court supplemental jurisdiction over related state law claims.

4. Venue is pursuant to 28 U.S.C. § 1391(b)(2), (c) and (d). Venue is proper in the District of Nevada because the events that gave rise to this Complaint took place in this district.

**PARTIES**

5. Plaintiff, TAMMY HERNANDEZ, is an individual, citizen of the United States and resident of Clark County, Nevada, which is in this judicial district.

6. Plaintiff, JOSE HERNANDEZ, is an individual, citizen of the United States, and resident of Clark County, Nevada, which is in this judicial district.

7. Upon information and belief, Defendant ALLIED COLLECTION SERVICES, INC. is a privately held corporation incorporated in Las Vegas, NV under the laws of the state of Nevada.

8. Upon information and belief, Defendant MICHAEL L. FEENEY is the owner, CEO, President, Treasurer, Director, and Secretary of Defendant ALLIED COLLECTION SERVICES, INC.

9. Upon information and belief, Defendant CHASTITY, as DOE I, is an individual, resident of Las Vegas, NV, and an employee or manager of Defendant ALLIED COLLECTION SERVICES, INC.

10. ADRIAN GONZALES, not personally named as a defendant, is an individual, resident of Las Vegas, NV, and an employee of Defendant ALLIED COLLECTION SERVICES, INC.

11. The true names and capacities, whether individual, corporate, associate or

1 otherwise, of Defendants DOES I-X, inclusive, are unknown to Plaintiff at this time, and therefore,  
2 Plaintiffs sue these Defendants by such fictitious names. Plaintiffs are informed and believe and,  
3 on that basis, allege that each of the fictitiously named defendants are responsible in some manner  
4 for the events herein referred to and caused damages proximately thereby to Plaintiffs as alleged  
5 herein.

6 **12.** In performing each of the acts or omission herein alleged, Defendants were each  
7 the agents, employees, representative, and/or servants of the others and were acting within the  
8 scope and course of such relationship.

9 **GENERAL ALLEGATIONS**

10 **13.** Plaintiffs incorporate by reference paragraphs 1 through 12 above as though fully  
11 set forth herein.

12 **14.** Defendants are "debt collectors" within the meaning of 15 U.S.C. § 1601 et. seq.,  
13 and in particular, 15 U.S.C. 16921(6).

14 **15.** Defendants are "collection agencies" or "collection agents" within the meaning of  
15 Nevada Revised Statute 649.020 and 649.025 respectively.

16 **16.** Plaintiffs are "consumers" within the meaning of 15 U.S.C. § 1601 et. seq., and in  
17 particular, 15 U.S.C. 16921(3).

18 **17.** On or about April 10, 2014, Plaintiff TAMMY HERNANDEZ received a  
19 telephone call at telephone number (702) 545-5416 from Defendant ALLIED COLLECTION  
20 SERVICES, INC. informing her that an account had been placed with them for collection and that  
21 she was responsible for the account.

22 **18.** Plaintiff requested information regarding the account and was told that it was a  
23 medical bill for approximately \$400.00.

24 **19.** Plaintiff informed Defendant ALLIED COLLECTION SERVICES, INC., that she  
25 needed time to research the debt and to speak with her husband, JOSE HERNANDEZ regarding  
26 the debt.

27 **20.** On or about April 10, 2014, Plaintiff JOSE HERNANDEZ received a telephone  
28 call on his work cellular telephone, number (702) 883-2332 from Defendant ALLIED

1 COLLECTION SERVICES, INC. regarding the medical debt in question.

2       **21.** Plaintiff informed Defendant that he was working, did not have time to talk to  
3 them, and could not receive debt collection calls while at work.

4       **22.** Between April 10, 2014 and May 8, 2014, Plaintiffs received numerous calls from  
5 Defendant ALLIED COLLECTION SERVICES, INC. at telephone numbers (702) 545-5416 and  
6 (702) 883-2332 regarding the medical debt in question, specifically:

- 7           a. On April 14, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
8           Plaintiffs at telephone number (702) 545-5416 to discuss the medical debt in  
9           question.
- 10          b. On April 15, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
11          Plaintiffs at telephone number (702) 545-5416 and hung up.
- 12          c. On April 16, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
13          Plaintiffs at telephone number (702) 545-5416 and hung up.
- 14          d. On April 18, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
15          Plaintiffs at telephone number (702) 545-5416 to discuss the medical debt in  
16          question.
- 17          e. On April 21, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
18          Plaintiffs at telephone number (702) 545-5416 to discuss the medical debt in  
19          question.
- 20          f. On April 24, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
21          Plaintiffs at telephone number (702) 545-5416 to discuss the medical debt in  
22          question.
- 23          g. On April 25, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
24          Plaintiffs at telephone number (702) 545-5416 three times to discuss the medical  
25          debt in question.
- 26          h. On April 25, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
27          Plaintiff JOSE HERNANDEZ at telephone number (702) 883-2332 to discuss the  
28          medical debt in question despite being previously told that he could not accept

1 debt collection calls at work.

- 2 i. On April 28, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
3 Plaintiffs at telephone number (702) 545-5416
- 4 j. On April 30, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
5 Plaintiffs at telephone number (702) 545-5416 to discuss the medical debt in  
6 question.
- 7 k. On May 5, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
8 Plaintiffs at telephone number (702) 545-5416 to discuss the medical debt in  
9 question.
- 10 l. On May 6, 2014 Defendant ALLIED COLLECTION SERVICES, INC called  
11 Plaintiff JOSE HERNANDEZ at telephone number (702) 883-2332 three times  
12 despite being previously told that he could not accept debt collection calls while at  
13 work.

14 **23.** The preceding list is not exhaustive. Plaintiffs received additional calls at the  
15 listed numbers at times when they were unable to note the calls or were unable to answer the  
16 phone.

17 **24.** On or about April 29, 2014, ADRIAN GONZALES, as a representative for  
18 Defendant ALLIED COLLECTION SERVICES, INC., called Plaintiff TAMMY HERNANDEZ  
19 at telephone number (702) 545-5416.

20 **25.** During that phone call, Defendant informed Plaintiff that she could settle the  
21 medical debt in question for \$175.00 at \$25.00 per week until the debt was paid.

22 **26.** Defendant told Plaintiff that in order to take advantage of the offer, she would  
23 need to come to Defendant ALLIED COLLECTION SERVICES, INC's office to sign a notarized  
24 document.

25 **27.** Plaintiff informed Defendant that she is sick with Rheumatoid Arthritis and Lupus  
26 and could not come to their office to sign any document.

27 **28.** On or about April 29, 2014, Plaintiff received another call from Defendant  
28 ALLIED COLLECTION SERVICES, INC. at telephone number (702) 545-5416 during which

1 Defendant informed Plaintiff that the balance due on her account was approximately \$1350.00.

2       **29.** Plaintiff inquired as to why the balance had grown and Defendant informed her  
3 that they had other bills that were with their office for collection from 2008.

4       **30.** Plaintiffs filed for Chapter 7 bankruptcy on 03/24/2010. Defendant ALLIED  
5 COLLECTION SERVICES, INC. was listed as a creditor in Plaintiffs' bankruptcy case.

6       **31.** On or about April 29 or April 30, 2014, Plaintiff TAMMY HERNANDEZ  
7 received a call from ADRIAN GONZALES, as a representative of Defendant ALLIED  
8 COLLECTION SERVICES, INC. again informing her that she could settle the medical debt in  
9 question for \$175.00 at \$25.00 per week, but that the offer would only be good through that day  
10 and in order to take advantage of said offer, Plaintiff would need to personally come to Defendant  
11 ALLIED COLLECTION SERVICES, INC.'s office to sign a notarized document.

12       **32.** Plaintiff informed Defendant that she would not be able to make it to the office to  
13 sign any notarized document.

14       **33.** After Plaintiff stated she could not come to the office, Defendant DOE I, aka  
15 CHASTITY, took over the call. Defendant DOE I identified herself as CHASTITY, stated that  
16 she was the manager of Defendant ALLIED COLLECTION SERVICES, INC., that she does not  
17 mess around, and that Plaintiff needed to come to the office within 45 minutes to sign a notarized  
18 document and pay \$400.00 to resolve the debt.

19       **34.** Plaintiff inquired as to why ADRIAN GONZALES stated that the amount would  
20 be \$175.00 but now Defendant DOE I was stating \$400.00. Defendant DOE I informed Plaintiff  
21 that ADRIAN GONZALES was incompetent and he was not authorized to make such a deal with  
22 Plaintiff.

23       **35.** Plaintiff informed Defendant DOE I that she was sick with Rheumatoid Arthritis  
24 and Lupus and was not able to make it to Defendant ALLIED COLLECTION SERVICES, INC.'s  
25 office within 45 minutes.

26       **36.** Defendant DOE I informed Plaintiff that if she didn't "get her sickly ass down  
27 there within 45 minutes," Henderson Police Department would be at Plaintiff's door to arrest  
28 Plaintiff because "the State of Nevada does not take kindly to people who don't pay their medical

bills.”

37. Plaintiff informed Defendant DOE I that she could not possibly be there in 45 minutes as she had not even gotten out of bed at the time of the phone call. Defendant DOE I informed Plaintiff that she better because her “freedom is limited” because Defendant DOE I was in the process of having an arrest warrant issued for Plaintiff.

**38.** Additionally, Defendant DOE I informed Plaintiff that every day she did not pay the bill, additional interest and charges were being added to the balance and the balance was now “over \$1000.00.”

39. Plaintiff ended the phone call and was not able to make it to Defendant ALLIED COLLECTION SERVICES, INC's office that day.

40. Plaintiff suffered severe emotional distress thinking that Henderson Police were going to arrest her due to her inability to make it to Defendant's office to sign a notarized document.

41. Plaintiff suffered severe emotional distress as a result of Defendant ALLIED COLLECTION SERVICES, INC.'s addition of her pre-bankruptcy debt to her balance. Plaintiff worried whether her bankruptcy discharge was effective.

42. Defendants made several more attempts to call Plaintiff to collect the medical debt in question.

43. Finally, on May 8, 2014, Plaintiff informed Defendants that she had retained an attorney and that she was not going to discuss the matter with them any further.

44. Upon information and belief, all of the above acts were done at the direction and under the training and supervision of Defendant MICHAEL L. FEENEY.

## COUNTS

### Count 1

**Violation of 15 U.S.C. 1692c(a)(3)**

45. Plaintiffs incorporate by reference paragraphs 1 through 44 above as though fully set forth herein.

**46.** This count is for multiple violations of 15 U.S.C. 1692c(a)(3).

1       **47.**       15 U.S.C. 1692c(a)(3) states in pertinent part:

2               Without the prior consent of the consumer given directly to the debt  
3       collector or the express permission of a court of competent jurisdiction, a debt  
4       collector may not communicate with a consumer in connection with the collection  
5       of any debt—

6               ...  
7               (3) at the consumer's place of employment if the debt collector knows or  
8       has reason to know that the consumer's employer prohibits the consumer from  
9       receiving such communication.

10       **48.**       Defendant ALLIED COLLECTION SERVICES, INC. was informed by Plaintiff  
11       JOSE HERNANDEZ that he was not able to receive calls relating to debt collection while at work.

12       **49.**       Defendant ALLIED COLLECTION SERVICES, INC. violated 15 U.S.C.  
13       1692c(a)(3) on numerous occasions by telephoning Plaintiff JOSE HERNANDEZ at work after  
14       receiving notice that Plaintiff could not receive debt collection calls at work.

15       **50.**       Wherefore, Plaintiffs demand

- 16               a.   Actual damages for Emotional Distress pursuant to 15 U.S.C. 1692k(a)(1).  
17               b.   Statutory damages pursuant to 15 U.S.C. 1692k(a)(2)(A).  
18               c.   Fees and costs pursuant to 15 U.S.C. 1692k(a)(3).

19                               **Count 2**

20                               **Violation of 15 U.S.C. 1692d(5)**

21       **51.**       Plaintiffs incorporate by reference paragraphs 1 through 50 above as though fully  
22       set forth herein.

23       **52.**       This count is for violation of 15 U.S.C. 1692d(5)

24       **53.**       15 U.S.C. 1692d(5) states in pertinent part:

25               A debt collector may not engage in any conduct the natural consequence of  
26       which is to harass, oppress, or abuse any person in connection with the collection  
27       of a debt. Without limiting the general application of the foregoing, the following  
28       conduct is a violation of this section:

              (5) Causing a telephone to ring or engaging any person in telephone  
              conversation repeatedly or continuously with intent to annoy, abuse, or harass any  
              person at the called number.

**54.**       Defendant ALLIED COLLECTION SERVICES, INC. violated 15 U.S.C.  
              1692d(5) when it continually called Plaintiffs and hung up on them.

**55.**       Defendant ALLIED COLLECTION SERVICES, INC. repeated calls to Plaintiff  
              were done with intent to annoy, abuse, or harass Plaintiffs and their family.





1           **63.**       15 U.S.C. 1692e(5) states in pertinent part:

2                   A debt collector may not use any false, deceptive, or misleading  
3                   representation or means in connection with the collection of any debt. Without  
4                   limiting the general application of the foregoing, the following conduct is a  
5                   violation of this section:

6                   (5) The threat to take any action that cannot legally be taken or that is not  
7                   intended to be taken.

8           **64.**       Defendant ALLIED COLLECTION SERVICES, INC., violated 15 U.S.C.  
9           1692e(5) when it told Plaintiffs that pre-bankruptcy debts were added to the total balance she  
10           owed to Defendant.

11           **65.**       Nevada Revised Statute 649.375 provides that a collection agency shall not:

12                   2. Collect or attempt to collect any interest, charge, fee or expense  
13                   incidental to the principal obligation unless:

14                   (a) Any such interest, charge, fee or expense as authorized  
15                   by law or as agreed to by the parties has been added to the  
16                   principal of the debt by the creditor before receipt of the  
17                   item of collection;

18                   (b) Any such interest, charge, fee or expense as authorized  
19                   by law or as agreed to by the parties has been added to the  
20                   principal of the debt by the collection agency and described  
21                   as such in the first written communication with the debtor;  
22                   or

23                   (c) The interest, charge, fee or expense has been judicially  
24                   determined as proper and legally due from and chargeable  
25                   against the debtor.

26           **66.**       Defendant ALLIED COLLECTION SERVICES, INC violated 15 U.S.C. 1692e(5)  
27           when it told Plaintiff that every day she didn't come into the office, interest and other charges were  
28           being added to the balance she owed to Defendant. Pursuant to Nevada Law, as stated above, the  
addition of interest and other charges by the collection agency is prohibited.

Wherefore, Plaintiffs demand

- a. Actual damages for Emotional Distress pursuant to 15 U.S.C. 1692k(a)(1).
- b. Statutory damages pursuant to 15 U.S.C. 1692k(a)(2)(A).
- c. Fees and costs pursuant to 15 U.S.C. 1692k(a)(3).
- d. Such other and further relief as this Court deems just and proper.

#### **Count 5**

#### **Intentional Infliction of Emotional Distress**

**68.**       Plaintiffs incorporate by reference paragraphs 1 through 67 above as though fully  
set forth herein.

69. Defendants, and each of them, engaged in extreme and outrageous conduct with the intention of, or reckless disregard for, causing emotional distress by:

- a. Continually calling Plaintiffs and their family in violation of 15 U.S.C. 1692 et. seq.
- b. Threatening to have Plaintiff TAMMY HERNANDEZ arrested in violation of 15 U.S.C. 1692e(4).
- c. Adding interest and collection charges to the balance due in violation of 15 U.S.C. 1692e(5) and NRS 649.375.
- d. Addition of pre-bankruptcy debts to the balance due in violation of 15 U.S.C. 1692e(5) and Title 11 U.S.C. 524.

70. Defendant ALLIED COLLECTION SERVICES, INC's actions were done with the intent to annoy, abuse, harass, intimidate, and cause emotional distress to Plaintiffs so that Plaintiffs would pay a medical debt.

**71.** Wherefore, Plaintiffs demand:

- a. Actual damages for Emotional Distress.
- b. Punitive damages pursuant to NRS 42.005.
- c. Attorney fees and costs.
- d. Such other and further relief as this Court deems just and proper.

DATED this 13<sup>th</sup> day of May, 2014.

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